

**APPENDIX A**



# **Planning Guidance for Contractor Work Force Restructuring**

**Office of Worker and Community Transition**

**U.S. Department Of Energy**

**December 1998**

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## PLANNING GUIDANCE FOR CONTRACTOR WORK FORCE RESTRUCTURING

### I. INTRODUCTION

The Department of Energy's Office of Worker and Community Transition (the Office) has prepared this planning guidance to assist Department of Energy (DOE or Department) field organizations to plan for, and mitigate the impacts of, changes in the Department's contractor work force.

This guidance supercedes the earlier interim guidance issued by the Office on February 1, 1996, and published in the *Federal Register* on March 5, 1996. This document is a product of the Department's experience over the past two years--an extensive process of employee and public stakeholder involvement in shaping our worker and community transition policies.

This guidance provides common objectives for work force restructuring while emphasizing the importance of a tailored approach at each site to meet these objectives. This revision also addresses: (1) formal comments received in response to the publication of earlier guidance in the *Federal Register*; (2) steps to streamline and make more efficient the process for development, review and approval of work force restructuring actions; and (3) changes in Departmental contracting approaches and development of long-range strategic plans.

Except as otherwise noted, this guidance is not intended to be prescriptive. Cognizant field organizations have primary responsibility for assuring planning and overseeing implementation of work force restructuring. The Department's field organizations are in the best position to consult with affected stakeholders on these plans, to understand the unique needs of work force restructuring at field facilities, and to develop work force restructuring strategies best suited to each individual facility. The Office will develop a Handbook for Contractor Work Force Restructuring that provides information on experiences at DOE sites for consideration by field organizations.

### II. LEGISLATIVE PROVISIONS

Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (the Act) requires the Secretary of Energy to develop a plan for restructuring the work force for a defense nuclear facility when there is a determination that a change in the work force is necessary. The plan is to be developed in consultation with local, state, and national stakeholders, and submitted to the Congress 90 days after notice of a planned work force restructuring has been given to the affected employees and communities.

Section 3161 of the Act provides specific objectives to guide the preparation of the plan to minimize worker and community impacts. Relevant sections of the Act are included as Appendix A. DOE facilities that have been determined to be defense nuclear facilities for the purposes of section 3161 are listed in Appendix B. For reasons of fairness, the Secretary directed that the objectives set forth in section 3161 should be applied to the extent practicable whenever work force restructuring takes place in the Department.

### **III. GENERAL GUIDANCE**

The Office encourages field organizations to utilize the combination of work force restructuring strategies that will most effectively accomplish a site's restructuring objectives. In developing these strategies, field organizations are expected to consider best practices in the public and private sectors. The cognizant field organization should administer work force changes consistent with the DOE Order 350.1 covering Reductions in Contractor Employment or any subsequent applicable DOE Order. A work force restructuring plan developed by the field organization should be consistent with program objectives, budget constraints, contractual provisions, collective-bargaining agreements, and other legal obligations. The plan should be developed in consultation with the stakeholders at the affected facility and other appropriate stakeholders to ensure, among other things, the most effective expenditure of public funds.

### **IV. WORK FORCE PLANNING**

The primary objective of work force planning and restructuring is to retain employees with the skills, knowledge and abilities necessary to effectively and safely meet assigned and future missions within budget constraints. Restructuring strategies must be closely integrated with planning based on identified work force requirements. Effective work force planning should consider both short-term requirements for immediate tasks, as well as long-term requirements for skills based on missions identified in strategic plans for the site. Improvements in organizational and operational efficiency should also be considered, including changes in internal organizational structure and contracting mechanisms.

## **V. CONTRACTOR ROLES AND RESPONSIBILITIES**

The Department will of necessity seek the assistance of its contractors in developing work force restructuring plans. Nevertheless, the plans are Department of Energy products. In addition, it is generally the Department's policy to make information available to the public that has bearing on the plans and is available to the operating contractors, unless such information is protected by law or regulation. Contractors will have responsibility for implementing the provisions of the work force restructuring plan subject to oversight from the appropriate DOE field organization.

## **VI. DEVELOPING WORK FORCE RESTRUCTURING PLANS**

### **A. *When Plans Are Needed***

In order to provide appropriate long-term planning of site operations, and to allow potentially affected workers to know how their situations may be accommodated, work force restructuring plans should be developed that are not limited to a single episode of restructuring but will apply for any restructuring that may occur at a particular site. This planning differs from past practice where a new plan was developed with each restructuring action over a certain threshold. Plans may identify options that may be utilized in a particular restructuring action, subject to the availability of funds.

The cognizant field organization for a non-defense site should consider whether a work force restructuring plan is appropriate based on the contracting arrangements at the site, the prospect for significant work force change, the potential impact on the community, and the extent to which provision of separation benefits beyond contract requirements would be consistent with best business practices and fair treatment of workers.

### **B. *Amendments to Established Plans***

When modifications of established site work force restructuring plans are necessary due to changing circumstances, stakeholder input or implementation experience, proposed changes in the established plan shall be submitted to the Office for expeditious Headquarters review and approval.

## **VII. ELEMENTS OF WORK FORCE RESTRUCTURING PLANS**

### **A. *Long-Term Strategic Plan and Work Force Implications***

Ongoing plans should identify a site's long-term strategic plan, including anticipated closure and the anticipated work force implications of that plan.

### **B. *Stakeholder Input to Plans***

Consultation with local, state, and national stakeholders is an essential element of the work force restructuring process. Special attention should be given to consultation with the existing work force, their representatives, and local communities. Input should be solicited and considered at appropriate points throughout the development of plans for implementing work force restructuring. In order to facilitate participation by stakeholders, the Office has made this Final Planning Guidance available through the *Federal Register* and through electronic means.

### **C. *Work Force Planning***

A description of the objectives and processes used to plan for short- and long-term work force requirements should be included in the plan. Plans should incorporate flexible work force planning and retraining to minimize layoffs in the work force.

### **D. *Define Application of the Plan***

Each site has a unique mix of contractors and subcontractors performing work for the Department. Work force restructuring plans should identify the conditions under which categories of employees may be eligible for particular benefits.

### **E. *Departmental Policy on Benefits***

It is the Department's policy that preference in hiring and displaced worker medical benefits, are to be offered to all eligible separating employees. Appendix C provides guidance that has been developed for implementing preference in hiring. The guidelines for displaced workers medical benefits are set out in DOE Order 350.1 and Department of Energy Acquisition Letter No. 93-4, as modified by memorandum on August 12, and December 2, 1993. These documents are included as Appendix D.

Additional programs that may be provided to affected workers and any applicable eligibility requirements should be fully described in the plan. Plans should clearly state that enhanced benefits are subject to availability of funds from the Worker and

Community Transition Appropriation. Plans should set out the considerations that will be used to determine when requests to seek funds to implement enhanced benefits programs will be considered, consistent with Congressional direction. Prior to implementing or announcing any program which anticipates providing enhanced benefits, field organizations shall submit to the Office an estimate of the number of participants and costs associated with a proposed benefit offering.

In implementing the objectives of section 3161 of the Act, the Department recognizes a special responsibility to minimize the impact of work force restructuring on employees who participated in efforts to maintain the Nation's nuclear deterrent during the Cold War. September 27, 1991, the day President Bush announced the first unilateral reduction of the Nation's nuclear weapons stockpile, has generally been recognized by this Department as the end of the Cold War. In developing a work force restructuring plan, the following are among the potential benefits that may be considered for affected workers.

1. *Programs to Minimize Layoffs*

After work force planning has identified the classifications of workers at risk, consideration should be given to strategies that minimize involuntary separations while also retaining appropriate job skills. Strategies should be selected based upon prior work force planning and restructuring experience at the site and best practices in the public and private sectors, and may include early retirement programs, voluntary separation incentives, and retraining for new missions, including cleanup.

2. *Involuntary Separation*

Each affected individual should be provided as much individual notice as practicable of his or her termination. In some cases, a minimum amount of specific notice is required by contract or collective-bargaining agreement. Involuntarily separated employees shall be fully advised of any benefits or services for which they are eligible. Appropriate notification to workers, labor representatives, and local, county and state governments shall be provided in accordance with DOE Order 350.1, or subsequent Order, and the Worker Adjustment and Retraining Notification Act (WARN), if applicable.

3. *Programs to Assist Separating Workers*

Requests for funding educational, relocation, and outplacement assistance should be considered to minimize the social and economic impact of work force changes, as well as a one-time construction worker benefit.

**F.      *Local Impact Assistance to Communities***

The work force restructuring plan should be developed in coordination with, and in support of, the regional development objectives of communities significantly impacted by the Department's downsizing. The local Community Reuse Organization should be contacted in the development of the plan to address anticipated economic and social impacts resulting from the Department's actions.

**VIII.    DEPARTMENTAL REVIEW AND APPROVAL**

**A.      *Approval of Plans***

By law, the Secretary submits work force restructuring plans subject to the provisions of section 3161 to Congress, and thus, is the official responsible for final approval. In order to reduce the number of involuntary layoffs, and pending Secretarial transmittal of the plan to Congress, enhanced benefits may be provided after receipt of written approval by the Office. The Office will seek concurrence from the affected program office or offices, the Office of General Counsel, and the Office of Congressional Affairs prior to providing such approval. It is the policy of the Department to obtain from employees who separate under voluntary separation programs, including early retirement incentives, a release of claims related to their employment and separation. A sample release is available on the Office's web page at <http://www.wct.doe.gov>. The cognizant field organization should consult with the Office prior to approving enhanced benefits at non-defense nuclear facilities. Draft plans should be submitted to the Office for Headquarters concurrence prior to their release to stakeholders.

**B.      *Notification and Approval of Plan Implementation***

Advance notification of intent to implement work force restructuring actions should be provided as early as possible, to maximize notification to the work force and the community, with an objective of 90 days advance notice to Congress. This reflects the need to be able to respond to changing business requirements and budget uncertainties. Headquarters review of work force restructuring plan implementation will take into consideration the time sensitivity of actions to meet business requirements.

**IX.    PERFORMANCE EVALUATION**

The Office of Worker and Community Transition, in consultation with various stakeholders, has developed a set of performance objectives to determine the effectiveness of work force planning and restructuring activities. Those objectives--which are available upon request to the Office--are used to evaluate the effectiveness of those activities.



## APPENDIX A

### Section 3161 and 3163 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484, October 23, 1992)

#### Subtitle E--Defense Nuclear Workers

#### **SEC. 3161. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORK FORCE RESTRUCTURING PLAN**

(a) **IN GENERAL.**--Upon determination that a change in the work force at a defense nuclear facility is necessary, the Secretary of Energy (hereinafter in this subtitle referred to as the "Secretary") shall develop a plan for restructuring the work force for the defense nuclear facility that takes into account--

- (1) the reconfiguration of the defense nuclear facility; and
- (2) the plan for the nuclear weapons stockpile that is the most recently prepared plan at the time of the development of the plan referred to in this subsection.

(b) **CONSULTATION.**--(1) In developing a plan referred to in subsection (a) and any updates of the plan under subsection (e), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of individuals employed at Department of Energy defense nuclear facilities, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(c) **OBJECTIVES.**--In preparing the plan required under subsection (a), the Secretary shall be guided by the following objectives:

- (1) Changes in the work force at a Department of Energy defense nuclear facility--
  - (A) should be accomplished so as to minimize social and economic impacts;
  - (B) should be made only after the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located; and
  - (C) should be accomplished, when possible, through the use of retraining, early retirement, attrition, and other options that minimize layoffs.
- (2) Employees whose employment in positions at such facilities is terminated shall, to the extent practicable, receive preference in any hiring of the Department of Energy (consistent with applicable employment seniority plans or practices of

the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1682)).

(3) Employees shall, to the extent practicable, be retrained for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy.

(4) The Department of Energy should provide relocation assistance to employees who are transferred to other Department of Energy facilities as a result of the plan.

(5) The Department of Energy should assist terminated employees in obtaining appropriate retraining, education, and reemployment assistance (including employment placement assistance).

(6) The Department of Energy should provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with--

(A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (Part D of Public Law 101-510; 10 U.S.C. 2391 note); and

(C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).

(d) **IMPLEMENTATION.**--The Secretary shall, subject to the availability of appropriations for such purpose, work on an ongoing basis with representatives of the Department of Labor, work force bargaining units, and States and local communities in carrying out a plan required under subsection (a).

(e) **PLAN UPDATES.**--Not later than one year after issuing a plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall--

(1) be guided by the objectives referred to in subsection (c), taking into account any changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

(3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

(f) **SUBMITTAL TO CONGRESS.**--(1) The Secretary shall submit to Congress a plan referred to in subsection (a) with respect to a defense nuclear facility within 90 days after the date on which a notice of changes described in subsection (c)(1)(B) is provided to employees of the facility, or 90 days after the date of the enactment of this Act, whichever is later.

(2) The Secretary shall submit to Congress any updates of the plan under subsection (e) immediately upon completion of any such update.

## SEC. 3163. DEFINITIONS

For purposes of this subtitle:

(1) The term "Department of Energy defense nuclear facility" means--

(A) a production facility or utilization facility (as those terms are defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities and does not include any facility or activity covered by Executive Order Number 12344, dated February 1, 1982, pertaining to the naval nuclear propulsion program;

(B) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

(C) a testing and assembly facility that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the Nevada Test Site, Nevada, the Pinellas Plant, Florida; and the Pantex facility, Texas);

(D) an atomic weapons research facility that is under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

(E) any facility described in paragraphs (1) through (4) that--

(i) is no longer in operation;

(ii) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

(iii) was operated for national security purposes.

(2) The term "Department of Energy employee" means any employee of the Department of Energy defense nuclear facility, including any employee of a contractor or subcontractor of the Department of Energy employed at such a facility.

## **APPENDIX B**

### **Listing of Defense Nuclear Facilities**

The list below reflects facilities receiving funding for Atomic Energy Defense activities of the Department of Energy, with the exception of activities under Naval Reactor Propulsion. It is recognized that these facilities have varying degrees of defense activities, ranging from a total defense dedication to a small portion of their overall activity. This may cause certain difficulties in implementing the intent of the section 3161 legislation. Regardless, this listing will be used by the Office for possible application of funding received for defense worker assistance and community transition purposes.

Kansas City Plant  
Pinellas Plant  
Mound Facility  
Fernald Environmental Management Project Site  
Pantex Plant  
Rocky Flats Environmental Technology Site, including the Oxnard Facility  
Savannah River Site  
Los Alamos National Laboratory  
Sandia National Laboratory  
Lawrence Livermore National Laboratory  
Oak Ridge National Laboratory  
Nevada Test Site  
Y-12 Plant  
East Tennessee Technology Park  
Hanford Site  
Idaho National Environmental Engineering Laboratory  
Waste Isolation Pilot Project  
Portsmouth Gaseous Diffusion Plant  
Paducah Gaseous Diffusion Plant

## APPENDIX C

### Preference in Hiring

Section 3161 provides that, to the extent practicable, terminated employees at a defense nuclear facility should receive preference in filling vacancies in the work force of the Department of Energy and its contractors and subcontractors. The Department has determined that employees must be identified as having helped maintain the Nation's nuclear deterrent in order to qualify for this preference. The preference should be honored by all prime contractors, and subcontractors whose contracts with the Department equal or exceed \$500,000 in value.

The Department has established the following criteria for determining eligibility for the hiring preference. The individual must be a former employee who (1) was involuntarily terminated (except if terminated for cause); (2) meets the eligibility standards described below; and (3) is qualified for the job at the time the work is to begin. Where qualifications are approximately equal, eligible individuals will be given preference in hiring. However, the preference will be administered consistent with applicable law, regulation, or executive order, and collective-bargaining agreements. This preference is not immediately applicable through an outsourcing action or follow-on contract in which the current employees are first offered their same or similar jobs with the replacement contractor in order to avoid a layoff.

An individual's hiring preference continues until termination by the action (or inaction) of that individual. Initially, and on an annual basis thereafter, eligible individuals must certify their desire to retain their hiring preference. Actions that would terminate an individual's hiring preference include: voluntary termination or termination for cause from a position that was obtained through the exercise of the preference, or failure to comply with the annual certification requirement.

Each field organization should develop procedures to ensure that the hiring preference is being honored by all prime contractors and designated subcontractors. Field organization procedures should also describe how the Job Opportunity Bulletin Board System is to be utilized by affected contractors and eligible individuals.

### Eligibility Criteria

#### A. *Regular Employees:*

1. must have been working at a defense nuclear facility on September 27, 1991;
2. must have worked full-time (or regular part time) at a facility from that date through the date of the restructuring notification; and
3. must have been involuntarily separated other than for cause.

**B. *Intermittent Workers, Including Construction Workers:***

1. must have worked at a defense nuclear facility on or before September 27, 1991;
2. must have worked at a facility within 180 days preceding the work force restructuring notification;
3. must have worked at a facility a total time, including time worked prior to September 27, 1991, equivalent to an employee having worked full-time from September 27, 1991, to the date of the restructuring notification, or have actually worked the industry standard of full-time from September 27, 1991, through the date of the restructuring notification; and
4. must have been affected by the announced restructuring within a reasonable period of time (one year is suggested). For an intermittent worker, this includes the interruption of a project before its anticipated completion, or the completion of the assignment or project without prospect for a follow-on assignment at the site where the employee had a reasonable expectation of a follow-on assignment.

**APPENDIX D**

**Department of Energy Order 350.1  
Contractor Human Resource Management Programs  
September 30, 1996  
Chapter 1 -Labor Relations  
Chapter 2 - Labor Standards  
Chapter 3 - Reduction in Contractor Employment**

**U.S. Department of Energy  
Washington, D.C.**

**ORDER 350.1  
Approved: 9-30-96  
Sunset Review: 9-30-96  
Expires: 9-30-00**

**SUBJECT: CONTRACTOR HUMAN RESOURCE MANAGEMENT PROGRAMS**

**1. OBJECTIVES.**

- a. To establish Department of Energy (DOE) responsibilities, requirements, and cost allowability criteria for the management and oversight of contractor Human Resource Management (HR) programs.
- b. To ensure that DOE contractors manage their HR programs to support the DOE mission, promote work force excellence, champion work force diversity, achieve effective cost management performance, and comply with applicable laws and regulations.
- c. To implement consistent requirements that allow contractors flexibility in determining how to meet the requirements.
- d. To ensure that all elements of cash and non-cash compensation are considered in the design and implementation of an appropriate total compensation philosophy, but are not used as a means to deflect needed cost reductions in either or both.

2. **CANCELLATIONS.** In addition to the Orders listed in the chapters of this Order, the Orders listed below are canceled. Cancellation of an Order does not, by itself, modify or otherwise affect any contractual obligation to comply with such an Order. Canceled Orders incorporated by reference in a contract shall remain in effect until the contract is

modified to delete the reference to the requirements in the canceled Orders.

- a. DOE 3220.1A, MANAGEMENT OF CONTRACTOR PERSONNEL POLICIES AND PROGRAMS, of 5-14-92.
- b. DOE 3220.4A, CONTRACTOR PERSONNEL AND INDUSTRIAL RELATIONS REPORTS, of 1-7-93.
- c. DOE 3220.6A, FEDERAL LABOR STANDARDS, of 5-14-92.
- d. DOE 3309.1A, REDUCTIONS IN CONTRACTOR EMPLOYMENT, of 11-30-92.
- e. DOE 3830.1, POLICIES AND PROCEDURES FOR PENSION PLANS UNDER OPERATING AND ONSITE SERVICE CONTRACTS, of 8-23-82.
- f. DOE 3890.1A, CONTRACTOR INSURANCE AND OTHER HEALTH BENEFIT PROGRAMS, of 6-12-92.
- g. DOE N 3131.1, ACCESS TO SKILLS, KNOWLEDGE AND ABILITIES OF RETIRED SCIENTISTS AND ENGINEERS FOR THE NUCLEAR WEAPONS PROGRAM, of 4-28-95.

### **3. APPLICABILITY.**

- a. DOE Elements. Except for the exclusions in paragraph 3c, this Order applies to all DOE Elements.
- b. Except for the exclusions in paragraph 3c or as specified in the Applicability section of this Order's individual chapters, Attachment 1, the Contractor Requirements Document (CRD) located at the back of each of this Order's individual chapters, sets forth requirements that are applicable to the universe of prime cost reimbursement contracts for the management and operation of DOE-owned or DOE-leased facilities and other contracts and sub-contracts as identified in the specific chapters of this Order. Applicability to other designated long-lived onsite contracts is optional at the discretion of Departmental and Field Elements. Contractor compliance with the CRD will be required to the extent set forth in a contract. Contractors shall be directed to continue to comply with the requirements of orders canceled by this Order until their contracts are modified to delete the reference to the requirements of the canceled orders.
- c. Exclusions.



(1) Specific exclusions, if applicable, are identified in the Applicability section of each of this Order's individual chapters.

(2) Activities that are regulated through a license by the Nuclear Regulatory Commission (NRC) or a State under an Agreement with the NRC, including activities certified by the NRC under section 1701 of the Atomic Energy Act; [same as section 830.2(a)].

(3) Activities conducted under the authority of the Director, Naval Nuclear Propulsion Program, as described in Public Law 98-525; [same as section 830.2(b)].

4. **REQUIREMENTS.** Requirements are set forth in Chapters I through IX of this Order.
5. **RESPONSIBILITIES.** Assignments of responsibility are set forth in Chapters I through IX of this Order.
6. **REFERENCES.** Applicable references are listed in Chapters I through IX of this Order.
7. **CONTACT.** See Chapters I through IX for the appropriate contacts.

**BY ORDER OF THE SECRETARY OF ENERGY:**

ARCHER L. DURHAM  
Assistant Secretary for  
Human Resources and Administration

**CHAPTER I  
LABOR RELATIONS**

**1. OBJECTIVES.**

- a. To ensure that Department of Energy management and operating contractors pursue collective bargaining practices that promote efficiency and economy in contract operations, judicious expenditure of public funds, equitable resolution of disputes, and effective collective bargaining relationships.
- b. To achieve full consultation with management and operating contractors prior to contract negotiations and during the term of a contract on matters that may have a significant impact on work rules, make-or-buy decisions, or past customs and practices.

**2. APPLICABILITY.** Contractors. This chapter applies to prime contractors that perform work under prime contracts at DOE-owned installations to the extent set forth in the prime contract. Contractor requirements are set forth in Attachment 1 to this chapter.

**3. REQUIREMENTS.**

- a. DOE retains absolute authority on all questions of security, security rules, and their administration. However, to the fullest extent feasible, DOE shall consult with representatives of management and labor in formulating security rules and regulations that affect the collective bargaining process.
- b. DOE shall not take a public position concerning the merits of a labor dispute between a contractor and its employees or organizations representing those employees.

**4. RESPONSIBILITIES.**

- a. Director, Office of Worker and Community Transition.
  - (1) Establishes DOE labor relations policy in consultation with field organizations.
  - (2) Represents DOE Headquarters on all matters involving contractor labor relations issues. This includes:
    - (a) informing DOE senior management of significant labor relations developments,
    - (b) acting as DOE liaison to other government agencies and to international unions

and their representatives,

(c) serving as a clearing house for labor relations information,

(d) coordinating union representation at meetings and conferences initiated by DOE Headquarters elements; and

(e) approving all DOE policy affecting contractor labor relations.

(3) Works with DOE program offices that originate or change qualification standards, testing requirements, or other programs that may affect conditions of employment for contractor employees to ensure that they are developed and/or implemented consistent with collective bargaining requirements.

b. Heads of Contracting Activities.

(1) Review collective bargaining issues with contractors and reach agreement on economic parameters prior to commencement of negotiations.

(2) Consult regularly with contractors during the term of collective bargaining agreements to stay abreast of matters of interest and concern to DOE.

(3) Serve as DOE liaison to regional governmental agencies and offices and to regional union officials.

(4) Notify the Office of Worker and Community Transition of National Labor Relations Board charges and any significant labor relations issues.

(5) Provide timely information and advice to DOE Headquarters and others concerning local contractor labor issues and arbitration decisions.

5. **REFERENCES.**

a. Federal Acquisition Regulation (FAR), Subpart 22.1, BASIC LABOR POLICIES, which provides guidance to contracting officers on labor relations matters.

b. Department of Energy Acquisition Regulation (DEAR), Subpart 970.22, APPLICATION OF LABOR POLICIES, which provides DOE guidance to contracting officers on labor relations matters.

c. DEAR 970.3102-2(e), which addresses allowability of compensation costs.

6.     **CONTACT.** Office of Worker and Community Transition, at (202) 586-7550.

## **CONTRACTOR REQUIREMENTS DOCUMENT**

### **LABOR RELATIONS**

The following requirements apply to prime contractors that perform work under cost reimbursement contracts at DOE-owned installations to the extent set forth in the prime contract.

1. Develop and implement labor relations policies that will promote orderly collective bargaining relationships, equitable resolution of disputes, efficiency and economy in operations, and the judicious expenditure of public funds.
2. Consult with the contracting officer prior to and during the course of negotiations with labor unions, and during the term of resultant contracts, on economic issues and other matters that have a potentially significant impact on work rules, make-or-buy decisions, or other matters that may cause a significant deviation from past customs or practices.
3. Provide the contracting officer with a settlement summary within 30 to 60 days after formal ratification of the agreement, using the "Report of Settlement" form.
4. Immediately advise the DOE Field Element of the following:
  - a. Possible strike situations or other job actions affecting the continuity of operations; in the event of work stoppage, the contractor is responsible for completing Bureau of Labor Statistics (BLS) Form 817 and forwarding two copies to the DOE Field Element.
  - b. Formal action by the National Labor Relations Board or the National Mediation Board (copies of the Board correspondence shall be provided to the Field Element).
  - c. Recourse to procedures under the Labor-Management Relations Act of 1947, as amended, or any other federal or state law.
  - d. Any grievance scheduled for arbitration under a collective bargaining agreement that has the potential for significant economic or other impact.
  - e. Other significant issues that may involve review by other federal or state agencies.

**CHAPTER II  
LABOR STANDARDS**

**1. OBJECTIVES.**

- a. To ensure that applicable labor standards are included in all Department of Energy contracts and subcontracts.
- b. To cooperate with the Department of Labor, as appropriate, to:
  - (1) obtain information,
  - (2) provide complete and timely reports, and
  - (3) exercise oversight responsibility to ensure contractor compliance with applicable laws.

**2. APPLICABILITY.** This Chapter is applicable to all DOE Elements responsible for the management of contracts for prime contractors of the Department's government owned facilities.

**3. REQUIREMENTS.** Proposed acquisition and designated contractor work packages shall be reviewed to determine the applicability of the Davis-Bacon Act and/or the Service Contract Act; work shall be accomplished in accordance with such determinations.

**4. RESPONSIBILITIES.**

- a. Director, Office of Worker and Community Transition.
  - (1) Coordinates Departmental comments on proposed revisions to Department of Labor regulations and provides interpretations of final revisions to Headquarters and field elements.
  - (2) Prepares and submits the Davis-Bacon Semi-Annual Enforcement Report to the Department of Labor by April 30 and October 30.
  - (3) By April 10 of each year, submits to the Administrator, Wage and Hour Division, Department of Labor, a consolidated annual forecast of construction programs, which is required by Department of Labor All Agency Memorandum

No. 144.

(4) Coordinates responses to Congress and the Department of Labor on labor standards complaints on acquisitions administered by Headquarters.

**b. Heads of Contracting Activities.**

(1) Establish Labor Standards Committees to advise contracting officers on the applicability of the various labor standards statutes to contracts and proposed work packages.

(2) Review the SF-98 and SF-98a, Notice of Intention to Make a Service Contract and Response Notice, to ensure that the contemplated work is appropriately covered by the Service Contract Act and that forms are prepared properly. Forwards such forms to the Department of Labor.

(3) Advise Director of Worker and Community Transition of complaints and significant labor standards violations generated by contractor employees and others.

(4) Ensure that all contracts contain the appropriate labor standards provisions.

(5) Ensure that bidders and contractors are provided with applicable labor standards information and that, where necessary, conferences and contract orientation meetings are held for solicitations or contracts.

(6) Assist the Department of Labor in preparing for a hearing on and/or investigating any alleged violations or disputes on alleged violations.

(7) For Service Contract Act covered contracts in excess of \$10,000.00, furnish Standard Form 279, Federal Procurement Data System Individual Contract Action Report, or its equivalent, to the Federal Procurement Data System (see 29 CFR 4.8).

(8) Request Davis-Bacon Act project wage determinations from the Department of Labor on the SF-308, Request for Determination and Response to Request for instances in which general area decisions are not available or are not appropriate to the DOE site or job. Accordingly, submit wage data to the Department of Labor.

(9) Ensure payroll and job-site audits are conducted as may be necessary to determine compliance with the Davis-Bacon Act..

(10) Investigate complaints under the Davis-Bacon Act to determine compliance and proceed as follows:

(a) If no violation is discovered, advise the complainant of the reasons for the conclusion.

(b) If a violation is discovered:

1. determine the amount of back wages, fringe benefits, and overtime pay due each employee, and request the contractor to make restitution;

2. determine the amount of liquidated damages due, if any, and request the contractor to make restitution;

3. withhold sufficient funds to compensate employees and to cover any liquidated damages that may be due when the contractor does not agree with the findings and refuses to make restitution;

4. furnish an enforcement report to the Administrator, Wage and Hour Division, Department of Labor within 60 days after completion of an investigation where the Davis-Bacon Act underpayments by a contractor totals \$1,000.00 or more; there is reason to believe the violations are willful; the contractor does not agree with the findings and refuses to make restitution; or the Department of Labor requested the investigation;

5. ensure that funds withheld to compensate employees for back wages are forwarded to the Comptroller General for disbursement if restitution has not been made.

(11) Prepare and submit the Davis-Bacon Semi-Annual Enforcement Report to the Director, Office of Worker and Community Transition, by April 21 and October 21 of each year.

## **5. REFERENCES.**

- a. Federal Acquisition Regulations (FAR), Subpart 22.4, LABOR STANDARDS FOR CONTRACTS INVOLVING CONSTRUCTION, which explains the applicability of the Davis-Bacon Act.
- b. Federal Acquisition Regulations (FAR), Subpart 22.10, SERVICE CONTRACT ACT OF 1965, AS AMENDED, which explains the applicability of the Service



Contract Act.

- c. Department of Energy Acquisition Regulation 970.2273, ADMINISTRATIVE CONTROLS AND CRITERIA FOR APPLICATION OF THE DAVIS-BACON ACT IN OPERATIONAL OR MAINTENANCE ACTIVITIES.
6. **CONTACT.** Office of Worker and Community Transition, at (202) 586-7550.

**CONTRACTOR REQUIREMENTS DOCUMENT  
LABOR STANDARDS**

The following requirements apply to contractors who perform work subject to the Davis-Bacon Act and the Service Contract Act.

1. Request labor standards coverage determinations from the contracting officer by submitting proposed work authorizations for contracts in excess of \$2,000 for construction, alteration, or repair, including painting and decorating, of public buildings and public works that involve the employment of laborers and mechanics. (See FAR 22.401 for definition of terms.)
2. Accomplish work tasks in accordance with the labor standards determination.
3. Ensure that subcontractors comply with the Davis-Bacon Act and conduct payroll and job-site audits as requested or authorized by the Head of Contracting Activity.
4. Maintain accurate and complete Davis-Bacon Act payrolls for 3 years from completion of contract when performing as the construction contractor.
5. Post in a prominent job-site location the following Department of Labor Publications.
  - a. WH-1321, Notice to Employees Working on Federal or Federally Financed Construction Projects.
  - b. WH-1313, Notice to Employees Working on Government Contracts.
6. Prepare Standard Form 98, "Notice of Intention to Make a Service Contract and Response to Notice" for all subcontracts subject to the Service Contract Act and forward to the contracting officer.
7. Provide information requested by the Head of Contracting Activity for its responses to inquiries received from Congress and Headquarters.
8. Provide information requested by the Head of Contracting Activity for its reporting requirements.

**CHAPTER III**  
**REDUCTIONS IN CONTRACTOR EMPLOYMENT**

**1. OBJECTIVES.**

- a. To perform work force planning that ensures continued availability of critical knowledge, skills, and abilities required for the Department's mission; and supports a schedule of work force restructuring actions that minimizes the impacts on programmatic activities.
- b. To provide reasonable notice to employees, their representatives, public officials, and other stakeholders of necessary reductions in contractor employment, and to consult with them in planning for work force restructuring.
- c. To the extent practicable, to minimize reductions at DOE defense nuclear facilities and other facilities through retraining efforts. If retraining is not feasible, consider early retirement, attrition, and other options that minimize layoffs.
- d. To provide assistance to communities in reducing the impact of employment reductions.

**2. APPLICABILITY.** This chapter applies to prime contractors and their integrated subcontractors that perform work at DOE-owned installations to the extent set forth in the prime contract.

**3. REQUIREMENTS.**

- a. In compliance with Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 and Secretarial policy, a work force restructuring plan at defense nuclear facilities and other DOE facilities shall be prepared whenever the DOE determines that a change in the work force is necessary. Plans may be developed for multiple years, but the requirement for a plan is triggered when the planned change affects 100 or more employees at a site within a 12-month period, or when the Head of the Field Element determines that a change in the work force will significantly affect the community. In instances where fewer than 100 employees are affected, the objectives of section 3161 shall be applied as feasible.
- b. Work force restructuring plans shall be prepared in accordance with "Interim Planning Guidance for Contractor Work Force Restructuring," published in the Federal Register Vol. 61, No. 44, dated March 5, 1996, as amended from time to

time (Attachment 2).

- c. For defense nuclear facilities, work force restructuring plans and implementation reports shall be submitted to the Secretary, who will approve/disapprove them for delivery to Congress. For other DOE facilities, delivery of a work force restructuring plan to Congress is at the discretion of the Secretary.
- d. Annual implementation reports shall be submitted by Field Elements to the Office of Worker and Community Transition that include the following information:
  - (1) Data on the retained worker force and its ability to meet mission requirements.
  - (2) Data on workers whose positions were eliminated and who were reassigned to other work at the site and a description of training provided to achieve such placements, including training costs.
  - (3) Data comparing the number of workers separated voluntarily and involuntarily and costs associated with each category of benefits provided to them, including estimates of such costs that were included in the work force restructuring plan.
  - (4) The contractor's statement as to whether adverse EEO impact resulted from involuntary separations. If affirmative, its extent, business necessity, and a description of the efforts taken to prevent it.
  - (5) An evaluation of plan implementation.
  - (6) Detailed guidance on submitting this information will be provided by the Office of Worker Community Transition.
- e. The Department must have ready access to retired scientists and engineers who may be needed on a part-time basis to support the Department's nuclear weapons program. The Department will maintain a list of individually identified retirees, including an affirmation of their agreement to be members of the retiree corps and necessary identification information to ensure ready access. The purposes for such access include archiving technical information, data and recollections not available from the active work force in areas related to weapons disassembly and nuclear weapons testing; assisting stockpile stewardship activities as required; and training replacement scientists and engineers. Access to members of the corps will not be restricted by other policies of DOE or within the control of DOE unless explicitly agreed to by the Secretary of Energy, and members of the retiree corps will maintain their security clearances for as long as they are in the retiree corps program. Further, inclusion in the corps will not amend, abrogate, or affect any

retirement annuity with regard to any DOE-imposed restrictions on such annuity.

**4. RESPONSIBILITIES.**

**a. The Secretary.**

(1) Approves/disapproves work force restructuring plans that are submitted to Congress.

(2) Approves/disapproves notifications of reductions in force of more than 100 employees at a single site.

(3) Submits work force restructuring plans and updates (implementation reports) to Congress.

**b. Director, Office of Worker and Community Transition.**

(1) Provides direction and guidance in the development and implementation of work force restructuring plans and the implementation of economic development plans when a community is significantly affected by changes in the work force.

(2) Recommends to the Secretary for approval Work Force Restructuring Plans that are submitted to Congress.

(3) Approves/disapproves work force restructuring actions which do not require Secretarial approval, including programs to minimize lay offs. Coordinates review with the affected program office and with General Counsel, Field Management, and Human Resources and Administration.

(4) Coordinates notifications to Congress with Heads of Field Elements and with the Assistant Secretary for Congressional and Intergovernmental Affairs.

(5) Performs other tasks that are assigned to the Office of Worker and Community Transition (WT-1) in Attachment 2.

**c. Heads of Field Elements.**

(1) Oversee the management of work force changes consistent with direction from the Office of Worker and Community Transition, Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 and Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal

Register Vol. 61, No. 44, pp. 8593 - 8602 (March 5, 1996), as may be amended from time to time.

(2) Prepare site-specific work force restructuring plans (and update them annually by means of implementation reports) in accordance with guidance contained in Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register Vol. 61, No. 44, pp. 8593 - 8602 (March 5, 1996), as may be amended from time to time.

(3) Obtain approval of separation incentives beyond those expressly authorized by contract from WT-1 early in the planning process and submit a final work force restructuring plan to WT-1 as early as practicable.

(4) Establish a baseline employment data base for use in preparing work force analyses and work force restructuring plans; provide quarterly reports on the data base to the Office of Worker and Community Transition.

(5) Provide the following notifications upon WT-1 approval.

- (a) General Notification to Employees prior to any public announcement and, where possible, 120 days prior to the involuntary separation of any employee.
  - (b) Notification to the Public. Coordinate with the Office of Worker and Community Transition any general announcement describing work force changes at the site and the estimated number of affected positions.
  - (c) Notification to Individual Employees. Ensure that contractors provide 60-day notification if the Work Force Adjustment and Retraining Notification (WARN) Act applies. If it does not apply, contractors shall provide individual employees as much notice of involuntary separation as is practicable, but not less than 2 weeks or 2 weeks pay in lieu of notice.
- (6) For work force reductions requiring only contracting officer or his designee approval, ensure the following are notified prior to the involuntary separation other than for cause of 10 or more employees.
- (a) Affected national and local unions.
  - (b) State and local governments.
  - (c) Congressional delegation.

- (7) Develop mechanisms to ensure that hiring preferences are being honored by all prime contractors and designated subcontractors. Requirements shall address employee responsibilities as well as use of the DOE automated Job Opportunity Bulletin Board System (JOBBS).
- (8) Maintain a list of individually identified retired scientists and engineers who will comprise a retiree corps to assure ready access to those whose skills may be needed on a part time basis to support the Department's Nuclear Weapons Program.

**5. REFERENCES.**

- a. Worker Adjustment and Retraining Notification Act, Public Law 100-379 (August 4, 1988).
- b. Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484).
- c. Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register Vol.61, No.44, pp. 8593 - 8602 (March 5, 1996).

- 6. CONTACT.** Office of Worker and Community Transition, at (202) 586-7550.

**CONTRACTOR REQUIREMENTS DOCUMENT**

**REDUCTIONS IN CONTRACTOR EMPLOYMENT**

- 1. Contractors will regularly analyze work force requirements consistent with mission and will develop appropriate work force transition strategies coinciding with restructuring objectives consistent with DOE Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register, Vol. 61, No. 44, pp. 8593-8602 (March 5, 1996) as may be amended from time to time.
- 2. Where a change in the nature or structure of a contractor's work force may affect 100 or more employees at a site within a 12-month period, the contractor shall provide such information as directed by the contracting officer or his designee to enable compliance with section 3161 of the National Defense Authorization Act for Fiscal Year 1993; DOE Interim Planning Guidance for Contractor Work Force Restructuring Federal Register vol. 61, no. 44, pp 8593-8602 (March 5, 1996) , as may be amended from time to time; and

Chapter III of DOE Order 350.1.

3. Provide notifications to employees, the public, and stakeholders in accordance with a schedule approved by the contracting officer or his designee.
4. Extend preferences, to the extent practicable, in filling vacancies in their work force to employees terminated from a defense nuclear facility. Guidance for this program is contained in section V of Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register Vol. 61, No. 44, pp. 8593 - 8602 (March 5, 1996), as may be amended from time to time.
5. Notify the contracting officer or his designee of any work force reduction that involves the involuntary separation of 10 or more employees at least 10 work days prior to such separations. The notification shall include affected job classifications, numbers of employees affected, and actions taken to assist the employees find other employment or otherwise lessen the impact of the involuntary separations.



APPENDIX D

Department of Energy  
Acquisition Regulation

No. 93-4  
Date: April 7, 1993

## ACQUISITION LETTER

### I. ACQUISITION LETTER

This Acquisition Letter (AL) is issued by the Director, Office of Procurement, Assistance and Program Management, pursuant to a delegation from the Secretary and under the authority of the Department of Energy Acquisition Regulation (DEAR) Subpart **901.301-70**.

#### CONTENTS

<u>Citation</u>	<u>Title</u>
DEAR 970.3102-2	Compensation for personal services
DEAR 970.3102-2(I)	Severance Pay Plans

- I. **Purpose.** The purpose of this Acquisition Letter is to: (1) clarify the Department of Energy (DOE) position on the Displaced Workers Benefits Program; (2) establish guidelines with respect to Head of Contracting Activity responsibility for implementation of medical benefits programs for displaced workers as approved by the Secretary of Energy, July 29, 1992; and (3) assure that contractors managing and operating DOE defense nuclear facilities implement this program for displaced workers.
- II. **Background.** The Secretary of Energy, in response to an anticipated downsizing in defense related activities, established a task force to develop a program that allows displaced workers continued access to medical insurance. The task force submitted a recommendation to the Secretary for a program that provides for a continuation of medical benefits for displaced workers under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). On July 29, 1992, the Secretary approved the task force recommendation for the Displaced Workers Benefit Program. The Report to the Secretary dated August 1992, outlining the provisions of the program was submitted by the task force, and a memorandum with a copy of the Report was distributed to DOE Field Offices.

III. **Guidance.**

A. It is the policy of the DOE to assure that contractors managing and operating the DOE defense facilities implement Medical Benefits Programs for Displaced Workers as described in the August 1992 Report. This ensures that employees involuntarily separated due to a downsizing action are not denied access to medical care benefits.

In order to qualify for benefits under the approved Medical Benefits Program for Displaced Workers, a displaced worker must have been:

- (1) on the employment roll of a DOE management and operating (M&O) contractor to perform work (including service work) for a DOE facility on September 27, 1991;
- (2) involuntarily separated after September 27, 1991, from the employment of a DOE M&O contractor performing work (including service work) for a DOE facility as a result of a downsizing action;
- (3) eligible for medical insurance coverage under an M&O contractor's plan at the time of separation from employment; and,
- (4) not eligible for coverage under another employer's group health plan or under Medicare since the time of separation.

B. The Office of Contractor Human Resource Management shall provide guidance to contracting officers and assist DOE officials responsible for management of activities of the M&O contractor concerning DOE policies, requirements, and guidelines for the Medical Benefits Programs for Displaced Workers.

C. The Head of Contracting Activity will:

- (1) assure that M&O contractors follow the policy and requirements of the Medical Benefits Program for Displaced Workers approved by the Secretary of Energy on July 29, 1992, and detailed in the August 1992 Report;
- (2) negotiate advance understandings on allowable costs for the Medical Benefits Programs for Displaced Workers; and,
- (3) approve reasonable costs of the M&O contractor for implementation of the Medical Benefits Programs for Displaced Workers.

IV. **Effective Date.** This AL is effective on the date of its release.

V. **Expiration Date.** This AL will remain in effect until its content is incorporated, as appropriate, in regulatory or directive coverage, unless otherwise superseded or canceled.

## **APPENDIX B**

### **OFFICE OF WORKER AND COMMUNITY TRANSITION CONTACTS**

Director: Bob DeGrasse	202-586-7550, FAX 586-8403
Deputy Directors:	
Terry Freese	202-586-5907, FAX 586-8403
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## APPENDIX C

### Work Force Restructuring Field Contacts List

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Ken Meeks, Naval Petroleum Reserves	805-763-6065, FAX 763-6318

## APPENDIX D

### DOE Community Transition Field Contacts

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## APPENDIX E

### Community Reuse Organization Contact List

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#### OAK RIDGE

Lawrence Young



President  
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**SAVANNAH RIVER**

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## APPENDIX F

U.S. Department of Energy  
Washington, D.C.

**ORDER 350.1**

**Approved: 9-30-96**

**Sunset Review: 9-30-96**

**Expires: 9-30-00**

### **SUBJECT: CONTRACTOR HUMAN RESOURCE MANAGEMENT PROGRAMS**

#### **2. OBJECTIVES.**

- b. To establish Department of Energy (DOE) responsibilities, requirements, and cost allowability criteria for the management and oversight of contractor Human Resource Management (HR) programs.
- c. To ensure that DOE contractors manage their HR programs to support the DOE mission, promote work force excellence, champion work force diversity, achieve effective cost management performance, and comply with applicable laws and regulations.
- c. To implement consistent requirements that allow contractors flexibility in determining how to meet the requirements.
- d. To ensure that all elements of cash and non-cash compensation are considered in the design and implementation of an appropriate total compensation philosophy, but are not used as a means to deflect needed cost reductions in either or both.

2. **CANCELLATIONS.** In addition to the Orders listed in the chapters of this Order, the Orders listed below are canceled. Cancellation of an Order does not, by itself, modify or otherwise affect any contractual obligation to comply with such an Order. Canceled Orders incorporated by reference in a contract shall remain in effect until the contract is modified to delete the reference to the requirements in the canceled Orders.

- a. DOE 3220.1A, MANAGEMENT OF CONTRACTOR PERSONNEL POLICIES AND PROGRAMS, of 5-14-92.
- b. DOE 3220.4A, CONTRACTOR PERSONNEL AND INDUSTRIAL RELATIONS REPORTS, of 1-7-93.
- c. DOE 3220.6A, FEDERAL LABOR STANDARDS, of 5-14-92.

- d. DOE 3309.1A, REDUCTIONS IN CONTRACTOR EMPLOYMENT, of 11-30-92.
- e. DOE 3830.1, POLICIES AND PROCEDURES FOR PENSION PLANS UNDER OPERATING AND ONSITE SERVICE CONTRACTS, of 8-23-82.
- f. DOE 3890.1A, CONTRACTOR INSURANCE AND OTHER HEALTH BENEFIT PROGRAMS, of 6-12-92.
- g. DOE N 3131.1, ACCESS TO SKILLS, KNOWLEDGE AND ABILITIES OF RETIRED SCIENTISTS AND ENGINEERS FOR THE NUCLEAR WEAPONS PROGRAM, of 4-28-95.

### **3. APPLICABILITY.**

- a. DOE Elements. Except for the exclusions in paragraph 3c, this Order applies to all DOE Elements.
- b. Except for the exclusions in paragraph 3c or as specified in the Applicability section of this Order's individual chapters, Attachment 1, the Contractor Requirements Document (CRD) located at the back of each of this Order's individual chapters, sets forth requirements that are applicable to the universe of prime cost reimbursement contracts for the management and operation of DOE-owned or DOE-leased facilities and other contracts and sub-contracts as identified in the specific chapters of this Order. Applicability to other designated long-lived onsite contracts is optional at the discretion of Departmental and Field Elements. Contractor compliance with the CRD will be required to the extent set forth in a contract. Contractors shall be directed to continue to comply with the requirements of orders canceled by this Order until their contracts are modified to delete the reference to the requirements of the canceled orders.
- c. Exclusions.
  - (1) Specific exclusions, if applicable, are identified in the Applicability section of each of this Order's individual chapters.
  - (2) Activities that are regulated through a license by the Nuclear Regulatory Commission (NRC) or a State under an Agreement with the NRC, including activities certified by the NRC under section 1701 of the Atomic Energy Act; [same as section 830.2(a)].

(3) Activities conducted under the authority of the Director, Naval Nuclear Propulsion Program, as described in Public Law 98-525; [same as section 830.2(b)].

4. **REQUIREMENTS.** Requirements are set forth in Chapters I through IX of this Order.
5. **RESPONSIBILITIES.** Assignments of responsibility are set forth in Chapters I through IX of this Order.
6. **REFERENCES.** Applicable references are listed in Chapters I through IX of this Order.
7. **CONTACT.** See Chapters I through IX for the appropriate contacts.

**BY ORDER OF THE SECRETARY OF ENERGY:**

ARCHER L. DURHAM  
Assistant Secretary for  
Human Resources and Administration

## **CHAPTER I LABOR RELATIONS**

### **1. OBJECTIVES.**

- a. To ensure that Department of Energy management and operating contractors pursue collective bargaining practices that promote efficiency and economy in contract operations, judicious expenditure of public funds, equitable resolution of disputes, and effective collective bargaining relationships.
- b. To achieve full consultation with management and operating contractors prior to contract negotiations and during the term of a contract on matters that may have a significant impact on work rules, make-or-buy decisions, or past customs and practices.

### **2. APPLICABILITY.** Contractors. This chapter applies to prime contractors that perform work under prime contracts at DOE-owned installations to the extent set forth in the prime contract. Contractor requirements are set forth in Attachment 1 to this chapter.

### **3. REQUIREMENTS.**

- a. DOE retains absolute authority on all questions of security, security rules, and their administration. However, to the fullest extent feasible, DOE shall consult with representatives of management and labor in formulating security rules and regulations that affect the collective bargaining process.
- b. DOE shall not take a public position concerning the merits of a labor dispute between a contractor and its employees or organizations representing those employees.

### **4. RESPONSIBILITIES.**

- a. Director, Office of Worker and Community Transition.
  - (1) Establishes DOE labor relations policy in consultation with field organizations.
  - (2) Represents DOE Headquarters on all matters involving contractor labor relations issues. This includes:
    - (a) informing DOE senior management of significant labor relations developments,
    - (b) acting as DOE liaison to other government agencies and to international unions and their representatives,

- (c) serving as a clearing house for labor relations information,
- (d) coordinating union representation at meetings and conferences initiated by DOE Headquarters elements; and
- (e) approving all DOE policy affecting contractor labor relations.

(3) Works with DOE program offices that originate or change qualification standards, testing requirements, or other programs that may affect conditions of employment for contractor employees to ensure that they are developed and/or implemented consistent with collective bargaining requirements.

b. Heads of Contracting Activities.

- (1) Review collective bargaining issues with contractors and reach agreement on economic parameters prior to commencement of negotiations.
- (2) Consult regularly with contractors during the term of collective bargaining agreements to stay abreast of matters of interest and concern to DOE.
- (3) Serve as DOE liaison to regional governmental agencies and offices and to regional union officials.
- (4) Notify the Office of Worker and Community Transition of National Labor Relations Board charges and any significant labor relations issues.
- (5) Provide timely information and advice to DOE Headquarters and others concerning local contractor labor issues and arbitration decisions.

**5. REFERENCES.**

- a. Federal Acquisition Regulation (FAR), Subpart 22.1, BASIC LABOR POLICIES, which provides guidance to contracting officers on labor relations matters.
- b. Department of Energy Acquisition Regulation (DEAR), Subpart 970.22, APPLICATION OF LABOR POLICIES, which provides DOE guidance to contracting officers on labor relations matters.
- c. DEAR 970.3102-2(e), which addresses allowability of compensation costs.

6. **CONTACT.** Office of Worker and Community Transition, at (202) 586-7550.

## **CONTRACTOR REQUIREMENTS DOCUMENT**

### **LABOR RELATIONS**

The following requirements apply to prime contractors that perform work under cost reimbursement contracts at DOE-owned installations to the extent set forth in the prime contract.

1. Develop and implement labor relations policies that will promote orderly collective bargaining relationships, equitable resolution of disputes, efficiency and economy in operations, and the judicious expenditure of public funds.
2. Consult with the contracting officer prior to and during the course of negotiations with labor unions, and during the term of resultant contracts, on economic issues and other matters that have a potentially significant impact on work rules, make-or-buy decisions, or other matters that may cause a significant deviation from past customs or practices.
3. Provide the contracting officer with a settlement summary within 30 to 60 days after formal ratification of the agreement, using the "Report of Settlement" form.
4. Immediately advise the DOE Field Element of the following:
  - a. Possible strike situations or other job actions affecting the continuity of operations; in the event of work stoppage, the contractor is responsible for completing Bureau of Labor Statistics (BLS) Form 817 and forwarding two copies to the DOE Field Element.
  - b. Formal action by the National Labor Relations Board or the National Mediation Board (copies of the Board correspondence shall be provided to the Field Element).
  - c. Recourse to procedures under the Labor-Management Relations Act of 1947, as amended, or any other federal or state law.
  - d. Any grievance scheduled for arbitration under a collective bargaining agreement that has the potential for significant economic or other impact.
  - e. Other significant issues that may involve review by other federal or state agencies.



## **CHAPTER II LABOR STANDARDS**

### **1. OBJECTIVES.**

- a. To ensure that applicable labor standards are included in all Department of Energy contracts and subcontracts.
- b. To cooperate with the Department of Labor, as appropriate, to:
  - (1) obtain information,
  - (2) provide complete and timely reports, and
  - (3) exercise oversight responsibility to ensure contractor compliance with applicable laws.

### **2. APPLICABILITY.** This Chapter is applicable to all DOE Elements responsible for the management of contracts for prime contractors of the Department's government owned facilities.

### **3. REQUIREMENTS.** Proposed acquisition and designated contractor work packages shall be reviewed to determine the applicability of the Davis-Bacon Act and/or the Service Contract Act; work shall be accomplished in accordance with such determinations.

### **4. RESPONSIBILITIES.**

- a. Director, Office of Worker and Community Transition.
  - (1) Coordinates Departmental comments on proposed revisions to Department of Labor regulations and provides interpretations of final revisions to Headquarters and field elements.
  - (2) Prepares and submits the Davis-Bacon Semi-Annual Enforcement Report to the Department of Labor by April 30 and October 30.
  - (3) By April 10 of each year, submits to the Administrator, Wage and Hour Division, Department of Labor, a consolidated annual forecast of construction programs, which is required by Department of Labor All Agency Memorandum No. 144.

(4) Coordinates responses to Congress and the Department of Labor on labor standards complaints on acquisitions administered by Headquarters.

**b. Heads of Contracting Activities.**

(1) Establish Labor Standards Committees to advise contracting officers on the applicability of the various labor standards statutes to contracts and proposed work packages.

(2) Review the SF-98 and SF-98a, Notice of Intention to Make a Service Contract and Response Notice, to ensure that the contemplated work is appropriately covered by the Service Contract Act and that forms are prepared properly. Forwards such forms to the Department of Labor.

(3) Advise Director of Worker and Community Transition of complaints and significant labor standards violations generated by contractor employees and others.

(4) Ensure that all contracts contain the appropriate labor standards provisions.

(5) Ensure that bidders and contractors are provided with applicable labor standards information and that, where necessary, conferences and contract orientation meetings are held for solicitations or contracts.

(6) Assist the Department of Labor in preparing for a hearing on and/or investigating any alleged violations or disputes on alleged violations.

(7) For Service Contract Act covered contracts in excess of \$10,000.00, furnish Standard Form 279, Federal Procurement Data System Individual Contract Action Report, or its equivalent, to the Federal Procurement Data System (see 29 CFR 4.8).

(8) Request Davis-Bacon Act project wage determinations from the Department of Labor on the SF-308, Request for Determination and Response to Request for instances in which general area decisions are not available or are not appropriate to the DOE site or job. Accordingly, submit wage data to the Department of Labor.

(9) Ensure payroll and job-site audits are conducted as may be necessary to determine compliance with the Davis-Bacon Act..

(10) Investigate complaints under the Davis-Bacon Act to determine compliance and proceed as follows:

(a) If no violation is discovered, advise the complainant of the reasons for the conclusion.

(b) If a violation is discovered:

1. determine the amount of back wages, fringe benefits, and overtime pay due each employee, and request the contractor to make restitution;

2. determine the amount of liquidated damages due, if any, and request the contractor to make restitution;

3. withhold sufficient funds to compensate employees and to cover any liquidated damages that may be due when the contractor does not agree with the findings and refuses to make restitution;

4. furnish an enforcement report to the Administrator, Wage and Hour Division, Department of Labor within 60 days after completion of an investigation where the Davis-Bacon Act underpayments by a contractor totals \$1,000.00 or more; there is reason to believe the violations are willful; the contractor does not agree with the findings and refuses to make restitution; or the Department of Labor requested the investigation;

5. ensure that funds withheld to compensate employees for back wages are forwarded to the Comptroller General for disbursement if restitution has not been made.

(11) Prepare and submit the Davis-Bacon Semi-Annual Enforcement Report to the Director, Office of Worker and Community Transition, by April 21 and October 21 of each year.

## **5. REFERENCES.**

- a. Federal Acquisition Regulations (FAR), Subpart 22.4, LABOR STANDARDS FOR CONTRACTS INVOLVING CONSTRUCTION, which explains the applicability of the Davis-Bacon Act.
- b. Federal Acquisition Regulations (FAR), Subpart 22.10, SERVICE CONTRACT ACT OF 1965, AS AMENDED, which explains the applicability of the Service Contract Act.
- c. Department of Energy Acquisition Regulation 970.2273, ADMINISTRATIVE CONTROLS AND CRITERIA FOR APPLICATION OF THE DAVIS-BACON ACT IN OPERATIONAL OR MAINTENANCE ACTIVITIES.

6. **CONTACT.** Office of Worker and Community Transition, at (202) 586-7550.

**CONTRACTOR REQUIREMENTS DOCUMENT  
LABOR STANDARDS**

The following requirements apply to contractors who perform work subject to the Davis-Bacon Act and the Service Contract Act.

1. Request labor standards coverage determinations from the contracting officer by submitting proposed work authorizations for contracts in excess of \$2,000 for construction, alteration, or repair, including painting and decorating, of public buildings and public works that involve the employment of laborers and mechanics. (See FAR 22.401 for definition of terms.)
2. Accomplish work tasks in accordance with the labor standards determination.
3. Ensure that subcontractors comply with the Davis-Bacon Act and conduct payroll and job-site audits as requested or authorized by the Head of Contracting Activity.
4. Maintain accurate and complete Davis-Bacon Act payrolls for 3 years from completion of contract when performing as the construction contractor.
5. Post in a prominent job-site location the following Department of Labor Publications.
  - a. WH-1321, Notice to Employees Working on Federal or Federally Financed Construction Projects.
  - b. WH-1313, Notice to Employees Working on Government Contracts.
6. Prepare Standard Form 98, "Notice of Intention to Make a Service Contract and Response to Notice" for all subcontracts subject to the Service Contract Act and forward to the contracting officer.
7. Provide information requested by the Head of Contracting Activity for its responses to inquiries received from Congress and Headquarters.
8. Provide information requested by the Head of Contracting Activity for its reporting requirements.

### **CHAPTER III**

#### **REDUCTIONS IN CONTRACTOR EMPLOYMENT**

##### **1. OBJECTIVES.**

- a. To perform work force planning that ensures continued availability of critical knowledge, skills, and abilities required for the Department's mission; and supports a schedule of work force restructuring actions that minimizes the impacts on programmatic activities.
- b. To provide reasonable notice to employees, their representatives, public officials, and other stakeholders of necessary reductions in contractor employment, and to consult with them in planning for work force restructuring.
- c. To the extent practicable, to minimize reductions at DOE defense nuclear facilities and other facilities through retraining efforts. If retraining is not feasible, consider early retirement, attrition, and other options that minimize layoffs.
- d. To provide assistance to communities in reducing the impact of employment reductions.

##### **2. APPLICABILITY.** This chapter applies to prime contractors and their integrated subcontractors that perform work at DOE-owned installations to the extent set forth in the prime contract.

##### **3. REQUIREMENTS.**

- a. In compliance with Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 and Secretarial policy, a work force restructuring plan at defense nuclear facilities and other DOE facilities shall be prepared whenever the DOE determines that a change in the work force is necessary. Plans may be developed for multiple years, but the requirement for a plan is triggered when the planned change affects 100 or more employees at a site within a 12-month period, or when the Head of the Field Element determines that a change in the work force will significantly affect the community. In instances where fewer than 100 employees are affected, the objectives of section 3161 shall be applied as feasible.
- b. Work force restructuring plans shall be prepared in accordance with "Interim Planning Guidance for Contractor Work Force Restructuring," published in the Federal Register Vol. 61, No. 44, dated March 5, 1996, as amended from time to time (Attachment 2).

- c. For defense nuclear facilities, work force restructuring plans and implementation reports shall be submitted to the Secretary, who will approve/disapprove them for delivery to Congress. For other DOE facilities, delivery of a work force restructuring plan to Congress is at the discretion of the Secretary.
- d. Annual implementation reports shall be submitted by Field Elements to the Office of Worker and Community Transition that include the following information:
  - (1) Data on the retained worker force and its ability to meet mission requirements.
  - (2) Data on workers whose positions were eliminated and who were reassigned to other work at the site and a description of training provided to achieve such placements, including training costs.
  - (3) Data comparing the number of workers separated voluntarily and involuntarily and costs associated with each category of benefits provided to them, including estimates of such costs that were included in the work force restructuring plan.
  - (4) The contractor's statement as to whether adverse EEO impact resulted from involuntary separations. If affirmative, its extent, business necessity, and a description of the efforts taken to prevent it.
  - (5) An evaluation of plan implementation.
  - (6) Detailed guidance on submitting this information will be provided by the Office of Worker Community Transition.
- e. The Department must have ready access to retired scientists and engineers who may be needed on a part-time basis to support the Department's nuclear weapons program. The Department will maintain a list of individually identified retirees, including an affirmation of their agreement to be members of the retiree corps and necessary identification information to ensure ready access. The purposes for such access include archiving technical information, data and recollections not available from the active work force in areas related to weapons disassembly and nuclear weapons testing; assisting stockpile stewardship activities as required; and training replacement scientists and engineers. Access to members of the corps will not be restricted by other policies of DOE or within the control of DOE unless explicitly agreed to by the Secretary of Energy, and members of the retiree corps will maintain their security clearances for as long as they are in the retiree corps program. Further, inclusion in the corps will not amend, abrogate, or affect any retirement annuity with regard to any DOE-imposed restrictions on such annuity.

**4. RESPONSIBILITIES.**

a. The Secretary.

(1) Approves/disapproves work force restructuring plans that are submitted to Congress.

(2) Approves/disapproves notifications of reductions in force of more than 100 employees at a single site.

(3) Submits work force restructuring plans and updates (implementation reports) to Congress.

b. Director, Office of Worker and Community Transition.

(1) Provides direction and guidance in the development and implementation of work force restructuring plans and the implementation of economic development plans when a community is significantly affected by changes in the work force.

(2) Recommends to the Secretary for approval Work Force Restructuring Plans that are submitted to Congress.

(3) Approves/disapproves work force restructuring actions which do not require Secretarial approval, including programs to minimize lay offs. Coordinates review with the affected program office and with General Counsel, Field Management, and Human Resources and Administration.

(4) Coordinates notifications to Congress with Heads of Field Elements and with the Assistant Secretary for Congressional and Intergovernmental Affairs.

(5) Performs other tasks that are assigned to the Office of Worker and Community Transition (WT-1) in Attachment 2.

c. Heads of Field Elements.

(1) Oversee the management of work force changes consistent with direction from the Office of Worker and Community Transition, Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 and Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register Vol. 61, No. 44, pp. 8593 - 8602 (March 5, 1996), as may be amended from time to time.



- (2) Prepare site-specific work force restructuring plans (and update them annually by means of implementation reports) in accordance with guidance contained in Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register Vol. 61, No. 44, pp. 8593 - 8602 (March 5, 1996), as may be amended from time to time.
- (3) Obtain approval of separation incentives beyond those expressly authorized by contract from WT-1 early in the planning process and submit a final work force restructuring plan to WT-1 as early as practicable.
- (4) Establish a baseline employment data base for use in preparing work force analyses and work force restructuring plans; provide quarterly reports on the data base to the Office of Worker and Community Transition.
- (5) Provide the following notifications upon WT-1 approval.
  - (a) General Notification to Employees prior to any public announcement and, where possible, 120 days prior to the involuntary separation of any employee.
  - (b) Notification to the Public. Coordinate with the Office of Worker and Community Transition any general announcement describing work force changes at the site and the estimated number of affected positions.
  - (c) Notification to Individual Employees. Ensure that contractors provide 60-day notification if the Work Force Adjustment and Retraining Notification (WARN) Act applies. If it does not apply, contractors shall provide individual employees as much notice of involuntary separation as is practicable, but not less than 2 weeks or 2 weeks pay in lieu of notice.
- (6) For work force reductions requiring only contracting officer or his designee approval, ensure the following are notified prior to the involuntary separation other than for cause of 10 or more employees.
  - (a) Affected national and local unions.
  - (b) State and local governments.
  - (c) Congressional delegation.
- (7) Develop mechanisms to ensure that hiring preferences are being honored by all prime contractors and designated subcontractors. Requirements shall address employee

responsibilities as well as use of the DOE automated Job Opportunity Bulletin Board System (JOBBS).

- (8) Maintain a list of individually identified retired scientists and engineers who will comprise a retiree corps to assure ready access to those whose skills may be needed on a part time basis to support the Department's Nuclear Weapons Program.

**5. REFERENCES.**

- a. Worker Adjustment and Retraining Notification Act, Public Law 100-379 (August 4, 1988).
- b. Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484).
- c. Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register Vol.61, No.44, pp. 8593 - 8602 (March 5, 1996).

- 6. CONTACT.** Office of Worker and Community Transition, at (202) 586-7550.

## **CONTRACTOR REQUIREMENTS DOCUMENT**

### **REDUCTIONS IN CONTRACTOR EMPLOYMENT**

1. Contractors will regularly analyze work force requirements consistent with mission and will develop appropriate work force transition strategies coinciding with restructuring objectives consistent with DOE Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register, Vol. 61, No. 44, pp. 8593-8602 (March 5, 1996) as may be amended from time to time.
2. Where a change in the nature or structure of a contractor's work force may affect 100 or more employees at a site within a 12-month period, the contractor shall provide such information as directed by the contracting officer or his designee to enable compliance with section 3161 of the National Defense Authorization Act for Fiscal Year 1993; DOE Interim Planning Guidance for Contractor Work Force Restructuring Federal Register vol. 61, no. 44, pp 8593-8602 (March 5, 1996) , as may be amended from time to time; and Chapter III of DOE Order 350.1.
3. Provide notifications to employees, the public, and stakeholders in accordance with a schedule approved by the contracting officer or his designee.
4. Extend preferences, to the extent practicable, in filling vacancies in their work force to employees terminated from a defense nuclear facility. Guidance for this program is contained in section V of Department of Energy Interim Planning Guidance for Contractor Work Force Restructuring, Federal Register Vol. 61, No. 44, pp. 8593 - 8602 (March 5, 1996), as may be amended from time to time.
5. Notify the contracting officer or his designee of any work force reduction that involves the involuntary separation of 10 or more employees at least 10 work days prior to such separations. The notification shall include affected job classifications, numbers of employees affected, and actions taken to assist the employees find other employment or otherwise lessen the impact of the involuntary separation.

## APPENDIX G



# Policy and Planning Guidance for Community Transition Activities

Office of Worker and Community Transition

Department of Energy

January 1997

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## **POLICY AND PLANNING GUIDANCE FOR COMMUNITY TRANSITION ACTIVITIES**

### **I. INTRODUCTION**

The end of the Cold War has reduced the country's need for national security activities. As a result, the Department of Energy's (the Department) nuclear weapons production capacity is decreasing. The Department is accomplishing this by reconfiguring, downsizing, and closing many of its facilities. Since the Department realizes that these actions may adversely affect the communities nearby containing a substantial number of displaced workers, it will cooperate with the recognized representative of each community and execute economic development initiatives to help offset those impacts.

Initial program guidance for the community transition program was first developed in the spring and summer of 1993, shortly after the formation of the Department's Task Force on Worker and Community Transition. In the intervening period the community transition program has evolved. This guidance reflects the changes necessary for the continued progress of the program. It reflects the work and input of stakeholders as well as the staff of the Department's Office of Worker and Community Transition (the Office). It replaces previous guidance on community transition activities and should be used while comments are being collected. The Office appreciates the assistance and effort of Department field organizations, site contractors, and representatives of the affected communities for their assistance in developing this guidance.

### **II. PROGRAM SCOPE**

#### **A. General**

Pursuant to section 3161 of the National Defense Authorization Act for Fiscal Year 1993, the Department's community transition program is designed to minimize the social and economic impacts of work force restructuring at defense nuclear facilities by providing local impact assistance to affected communities, 42 U.S.C. 7274 h(c)(6). Specific assistance programs are designed by the communities and the local Department facilities affected by the downsizing. Over the past 3 years, the Department has employed an extensive process of stakeholder and public involvement to shape policies concerning worker and community transition. This process included national stakeholder meetings on July 12 - 13, 1993, on November 16 - 17, 1993, on February 3 - 4, 1994, on May 25 - 26, 1994, on November 15 - 16, 1994, on April 20 - 21, 1995, on September 13 - 15, 1995, and on March 13 - 15, 1996, as well as specific input provided by nine community transition focus groups. It also responds to the recommendations made by the General Accounting Office in its December 1995

report to the Secretary of Energy, “Energy Downsizing: Criteria for Community Assistance Needed”. Impact assistance is provided by funding Department field organization-approved proposals for activities of Community Reuse Organizations (CRO), Management and Operating contractors, and others.

**B. Allowable Uses of Funding**

1. Funds for community transition activities may be allocated for approved programs and projects described in community transition plans or in field project requests prepared by Department facilities for activities funded outside the community transition plans.
2. In reviewing proposals or applications, the broadest range of allowable uses of funds will be considered. However, because funding is limited, and because other appropriations may be seen as the proper or primary source to fund certain activities, various activities may only be approved where exceptional circumstances would justify the decision. These include:
  - a. activities that could be funded from work force restructuring funds, such as employee retraining;
  - b. landlord responsibilities normally funded by the program office with landlord responsibilities at the site, including preparing personal property for disposal; decontamination and decommissioning of land and facilities; maintenance (to the extent it is not passed on to the tenant); environmental baseline-facility condition reports; administrative activities such as appraisals, title searches and environmental assessments; and
  - c. off-site construction, infrastructure, or other capital improvement projects.
3. If funding for the type of projects described in Section II.B.2, above, is being considered, the Department field organization should make early contact with the Office to determine whether the project can be funded by appropriations and, if so, what justification will be necessary.

**C. Eligibility and Funding Recipients**

1. General

Community transition funds will generally flow through a Department field organization to the CRO or CRO-designee. For activities funded outside the



community transition plan, funds may be made available by direct contract between the Department and another party, such as the on-site contractor. Financial assistance to CROs will be provided in accordance with the requirements applicable to grants or cooperative agreements that are in 10 CFR Part 600.

2. Definition of “Defense Nuclear Facilities”

Pursuant to section 3161 of the National Defense Authorization Act for Fiscal Year 1993, “defense nuclear facilities” for the purposes of community transition assistance include the following types of facilities under the control or jurisdiction of the Secretary of Energy: atomic energy defense facilities involving production or utilization of special nuclear material; nuclear waste storage or disposal facilities; testing and assembly facilities; and atomic weapons research facilities. Department facilities that have been determined to be defense nuclear facilities for the purposes of section 3161 are listed in Appendix B.

3. CRO Selection Criteria

The communities surrounding each site may be represented by a single CRO. The selection criteria applied by the Department field organizations in order to designate a CRO include, but are not limited to, the following:

- a. the organization should be formed for the purpose of addressing the economic impacts in the affected communities as a result of the changes in the work force at a defense nuclear facility.
- b. the organization should solicit and accept participation by a reasonably representative cross section of public and private sector interests; and
- c. the organization should have a reasonable process for soliciting public input into formulation of a Community Transition Plan and any major amendments to such a Plan.

**D. Types of Assistance**

1. Start-up Assistance for CROs

- a. The Department field organizations should solicit applications for financial start-up assistance for CROs in a manner which provides for the maximum amount of competition feasible as set forth in 10 CFR Part 600.

- b. This is one-time assistance to support the initial functions of a CRO including: development of a public participation plan; development of scopes of work for impact analyses and a community transition plan; and development of a proposal for planning assistance.
- c. Funding for start-up assistance usually does not exceed \$100,000 and may be spent over two fiscal years. It may be applied for at any time in the Department budget cycle, based on knowledge by the Department field organization that work force reductions are likely to occur within 18 months.
- d. Application for the assistance should include information about how area local governments, economic development organizations, labor, and other key stakeholders will be involved with creating the CRO. Award of start-up assistance does not commit the Department to funding future CRO activities and projects.

2. Planning Assistance for CROs

- a. Planning assistance for the CROs is intended to pay for administrative costs and planning studies associated with the development of a Community Transition Plan.
- b. Planning assistance is expected generally to be in the range of \$250,000 to \$500,000.
- c. A planning assistance application should include the following elements:
  - (1) The purpose and need for community transition;
  - (2) A description of the CRO, including its membership, functions, scope, and decision-making procedures;
  - (3) How the community transition plan will be developed. Where appropriate, an analysis of socio-economic strengths, weaknesses, opportunities and threats to the community should be included in the scope of work for the planning effort;
  - (4) A program plan for utilization of the planning assistance funds, including proposed scope of work and milestones;

- (5) Required Federal grant application forms and financial information, as specified by the Department field organization;
- (6) A summary of the CRO-approved public participation plan which includes discussion of access to meetings and records, community involvement, fairness of opportunity for receipt of program benefits, and avoidance of conflicts of interest;
- (7) A discussion of CRO coordination with the applicable site, the Site Specific Advisory Board, and regional planning and economic development organizations and activities;
- (8) Identification of any non-Department resources that will be utilized in the planning phase of the program;
- (9) Any proposed program or project activities that are requested and proposed to be conducted prior to approval of the community transition plan together with the justification required for program and project assistance (see Sections II.D.4 and VI.C.3); and
- (10) Written designation of the CRO by the responsible Department field organization.

3. Operational Assistance

- a. This is assistance to fund administrative expenses of the CRO beyond start-up and planning assistance.
- b. Funding for this activity may vary based upon the CRO organization and the degree to which the CRO is supported by other funding sources. It is suggested that requests normally be part of the Community Transition Plan and provide the appropriate information requested for program and project assistance in Section II.D.4 as well as a discussion of the steps the CRO is taking to become self-supporting and a timetable for when the CRO will be self-supporting.

4. Community Transition Program and Project Assistance

- a. The purpose of this assistance is to fund the activities deemed most likely to reduce the community's dependence on the Department and to mitigate the negative impacts on communities resulting from the downsizing of

defense nuclear facilities. Project assistance typically will provide financial assistance for a comprehensive, multi-year community transition program--generally a 3 to 5-year program. The program may be based upon community needs and may incorporate an analysis of the socio-economic strengths, weaknesses, opportunities, and threats in the community transition plan. Components may include programs conducted directly by the CRO, contract services, and competitively-based financial assistance for economic development activities. Types of programs that may be funded include small business incubators, revolving loan funds, equity position, venture and risk capital funding, marketing of excess Department property, entrepreneurial development, technology transfer assistance, and applicable training seminars. Inclusion of these types of programs in a financial assistance award will generally require special provisions in the financial assistance instrument. For example, if a CRO institutes a revolving loan fund, the loan program should not exceed an appropriate length of time (i.e. 5 years) and all interest and principal payments must be returned to the government. The financial assistance award should contain appropriate guidance on repayments of loans and if desired, allow for reauthorization of principal repayments to be used for payment of other costs under the financial assistance award.

- b. In the past, program and project assistance has generally been in the range of \$400,000 to \$5 million per year at each site.
- c. The specific format for requests for program and project assistance will depend on the applicant. For CRO requested projects or programs, the request should be included in the community transition plan as described in Section VI. For funds to be managed by the site independent of the CRO, the site shall submit a letter request to Headquarters signed by the Field Manager which contains information similar to that requested for prioritized projects submitted by the CRO, together with a letter from the CRO with the CRO's comments.
- d. The Lobbying Disclosure Act of 1995, Pub L 104-65, Dec. 19, 1995, as amended by Pub L 104-99, Jan. 26, 1996, prohibits the government from awarding financial assistance to non-profit organizations described in section 501 (c) (4) of the Internal Revenue Code of 1986 which engage in lobbying activities as defined by the Act. Therefore, such organizations are not eligible to receive awards of financial assistance.

### **III. ROLES AND RESPONSIBILITIES**

- A. The Secretary of Energy** is responsible for the overall program direction and has final approval of all community transition funding decisions.
- B. The Director, Office of Worker and Community Transition** is responsible for the overall management of the community transition program, including the following:
  - 1. Authorizes actions, within approved funding levels, to mitigate impacts of reconfiguration, downsizing, and closing of Department facilities.
  - 2. Establishes principles, policies, and procedures to implement the Department's community transition mission.
  - 3. Develops the Department-wide community transition budget, recommends the Department field organization budget levels for community transition, and establishes the criteria to be used for community transition program funding levels at qualifying sites.
  - 4. Determines allowable uses of Worker and Community Transition program funds within legislatively-mandated parameters.
  - 5. Recommends, to the Secretary, approval or denial of requests for community transition assistance, after consultation with other Department elements as necessary.
  - 6. Ensures coordination of the community transition plan with the work force restructuring plans at the site.
  - 7. Provides liaison among other program and staff offices in Headquarters for community transition issues.
  - 8. Conducts program reviews of field implementation of the community transition program.
- C. Department Field Organizations** are responsible for the day-to-day administration of the community transition program. This includes responsibility for the following:
  - 1. Working within their communities to designate the local CRO in order to perform the roles and responsibilities as described in Section III.D.

2. Assuring that CRO's are entities formed for the purpose of addressing the economic impacts in the affected communities as a result of the changes in the work force at a defense nuclear facility. CROs may be local governments, corporations or affiliations of communities and interested stakeholders.
3. Soliciting applications for financial assistance and approving the CRO for sites under their jurisdiction; assurance that all interested groups are afforded the opportunity to participate in the CRO.
4. Assuring that the provision in Appendix D concerning the standard of conduct requirements be included in each financial assistance award for economic development activities.
5. Assuring that the Department's community transition policies and guidance are carried out in a spirit of cooperation and openness.
6. Integrating the requirements of the community transition program with the requirements of other programs and activities at their sites and assuring that necessary support activities are identified and budgeted for.
7. Providing planning guidance to the CROs for program plans and reviewing and approving CRO-developed community transition plans.
8. Resolving conflicting proposed uses of the Department's assets under its jurisdiction.
9. Integrating community transition locally so that it incorporates the work and plans of the CRO with other community transition activities, if any, proposed by the site.
10. Consulting with American Indian tribal governments to assure that tribal rights and concerns are considered prior to the Department taking actions, making decisions or implementing programs that may affect tribes.
11. Publishing financial assistance award announcements publicly to allow maximum participation.
12. Assuring that there is no financial assistance or loan awarded to any non-profit organizations described in section 501 (c) (4) of the Internal Revenue Code of 1986 which engages in lobbying activities as defined in the Lobbying Disclosure Act of 1995, as amended.

**D. Community Reuse Organizations** serve to implement community transition activities. In this capacity the CRO will:

1. Coordinate local community transition planning efforts that address Department-related impacts.
2. Include a broad representation of the affected communities, with opportunity for involvement given to people and groups such as individual residents; representatives of community-based organizations; representatives of business, educational, and financial institutions; site workers and their labor organizations; local government officials; established economic and community development organizations; public interest groups; environmental groups; diversity groups; and federally-recognized American Indian Tribes.
3. Develop and submit community transition plans to the appropriate Department field organization.
4. Receive Department funding and participate in the management of community transition projects.
5. Coordinate CRO activities with Site Specific Advisory Boards (SSAB) at Department facilities, particularly with regard to future site planning.

#### **IV. PROGRAM PLANNING**

##### **A. General**

Future funding for all activities other than start-up and planning assistance is expected to be requested through a community transition plan (or a letter request for Department field organization activities). Table 1 describes the activities expected to occur at each step. The intent of this process is to provide objectivity in the selection of project and program activities to be supported. The following paragraphs will describe the major activities in some detail.

##### **B. Development of the Community Transition Plan**

Department field organizations should provide guidance to the CROs to assist them in developing a community transition plan. Based upon this guidance, the CROs should prepare a community transition plan for funding.

**C. Department Field Organization and Office Reviews**

Upon completion of the CRO community transition plan and any Department field organization projects, a field review of the community transition plan and an Office review of both the community transition plan and any site-sponsored projects should take place. The intent is for the Department field organization and the Office to jointly identify any needed revisions as soon as possible, thereby minimizing multiple requests for changes. At the end of the review period, there should be a plan ready for recommendation with a very high probability of approval by the Office.

**D. Economic Development Administration in the Department of Commerce and the Peer Review Board**

Reviews by the Economic Development Administration in the Department of Commerce and the Peer Review Board should use the criteria in Section V to compare and assess projects and programs. The recommendations may be provided to the Office of Worker and Community Transition for their consideration in the final determinations of program funding.

**E. Office of Worker and Community Transition Review and Decisions**

The Office will review the submitted plans, the peer review comments, and the independent review from the Economic Development Administration of the Department of Commerce. Based upon these inputs, and the Office staff review, final funding levels for the fiscal year will be recommended. After Secretarial approval and appropriate notifications, funds will be transferred to the appropriate Department field organizations for implementation of the approved program.



**Table 1: COMMUNITY TRANSITION FUNDING ACTIVITIES**

<b>Step</b>	<b>Activity</b>
(1)	CRO develops Community Transition Plan based upon planning guidance from the Department. If appropriate, local Department field organization develops project descriptions for any Department facility/activities to be requested from the Office.
(2)	CRO submits community transition plan to the Department field organization.
(3a)	Department field organization conducts review of Community Transition Plan and assists CRO in refining proposal.
(3b)	Office concurrently assists development of the Community Transition Plan and any projects from the Department field organization.
(4)	Department field organizations submit community transition plan and field project requests to the Office for review and approval.
(5)	Economic Development Administration and the Peer Review Board evaluate CRO community transition plans and field projects.
(6)	Peer Review Board Report and Economic Development Administration Reports are submitted to the Office.
(7)	The Office conducts internal review.
(8)	The Office makes funding award decision.
(9)	The Office authorizes release of funds into Department field organization financial plan.
(10)	Community transition funds are available to recipients.

## **V. EVALUATION CRITERIA FOR REVIEW OF PROJECTS AND PROGRAMS**

The following factors will be used to evaluate all project and program funding requests in community transition plans:

- A. Projected job creation (communities should seek to create at least one job for each \$10,000 to \$25,000 in Federal funding received, leveraging those funds to attract other private and public funds);
- B. Projected job creation for workers affected by downsizing;

- C. Viability of project to induce investment/growth in production of goods and services for which the community may have or be able to develop a comparative economic advantage;
- D. Ability to reduce the region's dependence on the Department;
- E. Consistency with the identified strengths of the region;
- F. Past performance of the applicant, if any;
- G. Amount of local participation in the project, either financially or in terms of coordinated services;
- H. Demonstrated cooperation with regional or state economic development efforts;
- I. Ability of project to become self-sufficient;
- J. Linkage of project to site cost reductions through transfer of site equipment, facilities or technologies; and
- K. Other unique factors such as innovative features of the proposed project, such as matching funds.

## **VI. COMMUNITY TRANSITION PLANS**

### **A. Purpose**

1. The Community Transition Plan describes the overall strategies and, within each strategy, the actions proposed by the communities to respond to the changing missions at a Department facility. Where appropriate, it also describes the proposed programs, projects and estimated funding requested from the Department. It is the overall framework and the rationale for the local response to the downsizing at the Department facility.
2. The plan serves an integrating function, building upon other existing community and facility planning efforts in the region. It should describe those efforts, the lessons learned from them, and should focus on the additional, supplemental efforts the community believes are necessary and useful to respond to the changes at the Department facility. It should not duplicate other planning efforts, but would afford the community an opportunity to highlight innovations to address the impacts of downsizing.

**B. General**

1. Initial planning grants from the Department should be used by CROs to prepare and submit to the Office a plan for anticipated community transition activities. This plan should be submitted through and be approved by the appropriate Department field organization.
2. While each community faces unique transition challenges and will develop a plan specific to its situation, there are common topical areas that should be addressed in all plans. The following paragraphs offer guidance on what the Office considers critical components of a community transition plan. These are elements to be addressed in the plan, not necessarily an outline of the developed plans. The continued allocation of the Department's limited financial and other available resources will be contingent upon the completion of the plan and its contents. Both short-term and long-term objectives may be included.

**C. Community Transition Plan Components**

1. Planning Analysis
  - a. An analysis should be performed to establish the primary and secondary community impacts likely as a result of planned site restructuring. From a baseline established from local information sources, project the likely impacts on such primary factors as net job loss, changes in unemployment, loss of wages and disposable income, and business closings. Secondary impacts could include such factors as decreases in taxes and other user fees, loss of business and sales volumes, decreases in property values and other factors. Impacts on education, cultural activities, recreation, the environment and other socio-economic factors should also be considered. From an analysis of these impacts, develop a set of issues.
  - b. A critical part of the community transition plan is the analysis of strengths, weaknesses, opportunities and threats (SWOT analysis) to the community. This can be performed with planning assistance funds, or existing studies can be used. With the SWOT analysis as a framework, set out an overall vision for the community and identify the programs and projects to be established, including the degree to which the programs and projects address the issues.

2. Stakeholder Involvement

Stakeholders should have the opportunity to participate in the planning process. Identify stakeholders providing input to the plan, describe method of input, and common areas of interest. A communication strategy should also be a component of insuring proper representation and community input into the planning and implementation process. This should also include CRO coordination with the applicable site and other groups, such as: any Site Specific Advisory Boards; regional planning and economic development organizations and activities; labor; the business community; academic communities; and American Indian tribal governments.

3. Prioritized Projects

Develop a list of prioritized projects or programs based on the above considerations with an overall project budget and schedule for completion of each. The following items are suggested topics for discussion for each project:

- a. The primary goal of transition initiatives is the creation of jobs through the retention, expansion, and creation of businesses, and through other measures, to offset the economic impacts of the Department's work force restructuring actions. The plan should identify likely benefits to workers displaced by the Department and the area's work force in general;
- b. Amount, type, timing, and continuity of funding available from non-Department sources such as the U.S. Department of Labor's Job Training Partnership Act and the U.S. Department of Commerce's Economic Development Administration. Also include any state and local funding, and any private development sources, such as venture capital, financial institutions, revenue bonds, seed capital, revolving loans and other private funds. The use of these funds should be set out relative to any Department funding provided;
- c. Coordination with other community programs;
- d. Performance measures for each project;
- e. A proposed scope of work, timeline, and reporting schedule (generally, quarterly) of proposed activities, accomplishments, and expenditures;

- f. Required Federal grant application forms and financial information, as specified by the Department field organization;
- g. Any anticipated preferences or non-traditional competition elements of the program, and their relationship to program objectives;
- h. A discussion of CRO coordination with units of Federal, state, local, or tribal governments. Demonstration that proposed projects will augment and not duplicate current community efforts;
- i. Plans, if any, to support CRO operating and program costs following completion of the project grant (e.g., self-sustaining mechanisms, local or non-Department support, revenue/income generation, future Department funding, or transfer of programs to other organizations);
- j. Identification of any time-sensitive opportunities, or other pertinent background information;
- k. If multi-year funding is anticipated, show how this year's increment related to prior-year activities and what will happen if future year funding is reduced or eliminated.

## **VII. PERFORMANCE MEASURES**

### **A. Purpose**

- 1. Performance measures represent a mechanism that the CROs and the Department can use to monitor performance. They do this by providing a means for: 1) determining how well a project is being executed; 2) indicating when corrective actions are required; and 3) documenting success.
- 2. Performance measures establish a mechanism for program assessment. It is suggested that the CROs use the results of their performance measures for self assessment purposes. The Department field organization and Headquarters staff should use the same results for purposes of external oversight.
- 3. Performance measures should be used to allow the Department to provide objective and defensible indications to the Congress and to the American people that the Department's economic development program is effective.

4. Finally, since the intent of performance measures is to evaluate program execution, performance measures need not be developed for start-up or planning assistance.

**B. Guidance**

1. The CROs are responsible for developing performance measures based on this guidance and on their unique circumstances, goals, and objectives. The final measures should be negotiated with the appropriate Department field organization and, ultimately, approved by the Office.
2. Many CROs may have similar objectives. The Office encourages, but does not require, developing consistent performance measures in such cases and also encourages sharing best-practices and lessons-learned to the maximum extent possible.
3. Performance measures should not focus on minor aspects of performance, rather, they should comprehensively measure critical aspects of performance for any enterprise.
4. Performance measures and objectives should not be so difficult that they cannot be achieved through a reasonable amount of effort, nor shall they be excessively easy to achieve.
5. Performance measures shall be periodically assessed by the CROs and the results reported to the Department field organization and the Office.
6. When a performance measure is no longer providing useful information, it should be eliminated or replaced.
7. Performance measures shall be measurable in a numerical fashion to the maximum extent possible. Where numeric measurement is not possible, performance measures shall be evaluated against a clearly defined set of criteria.
8. In cases where grant requests are small (i.e., less than \$300,000), a less stringent requirement for performance measures may apply.
9. On a quarterly basis, the CROs should submit a progress report to Department Headquarters via the appropriate Department field organization. The quarterly progress reports should contain, among other things, updated information on

the CRO's performance measures. The progress report format may be found in Appendix C.

### **C. Model**

Per the above guidance, the individual CROs should be tasked with developing performance measures for their particular enterprise. The Office recognizes that:

1. The various CROs will have different missions, objectives, and priorities; the CROs are best equipped to determine what constitutes a good measure of performance for their particular situation.
2. The CRO missions are dynamic, and, therefore, their objectives may change from time-to-time. As a consequence, what constitutes a good performance measure today may not be appropriate tomorrow; therefore, the CROs should be allowed the flexibility to alter their performance measures, with the Office's concurrence, to more closely align with changing missions and objectives.
3. The CROs should have latitude in regard to the substance and nature of their performance measures. However, it is suggested that they follow generally recognized principles for developing and measuring performance. By employing a performance measurement system, the Department will be able to assess and describe the effectiveness of the program. This will assist in determining appropriate levels for the program in future years and will help each site and each CRO assess the effectiveness of its program.

### **D. Areas to Address**

The following paragraphs delineate the types of issues that should be considered when developing a performance measurement program.

1. Job creation: the act of creating jobs that did not previously exist in a defined marketplace, especially jobs that will assist displaced workers from the affected site. Communities should seek to create at least one job for each \$10,000 to \$25,000 in Federal funding received, leveraging those funds to attract other private and public funds.
2. Job retention: holding in place the existing work force and providing substitute employment for at-risk or displaced workers within a defined geographic area.

3. Regional development: enhancement of the attributes of a geographic area to promote the commonly-held and understood assets of that region.
4. Business start-ups: new commercial or industrial enterprises, legal entities, partnerships, etc.
5. Expansion of existing businesses: the ability to hire more workers and to increase the demand for goods and services ultimately stimulating the economy (e.g., increase revenues, broaden the tax base).
6. Economic diversification: any activity within a defined geographical area that makes the area less dependent upon Department business.
7. Training: providing skills and classes necessary to prepare workers to maintain the skills required to continue in one's current position or alternative job.
8. Commercialization: the act of making assets (e.g., technologies, use of facilities or equipment) under Department control available for third party use or for use by the M&O contractor for non-Department business activities.
9. Facility reuse: the reuse of Department facility real estate and fixtures including buildings, land, and facilities that are not needed for the Department's traditional missions.
10. Leveraging: the ability of the CRO to commit non-Department resources as a match for Department funds requested. Leveraging should be indicated as a ratio of non-Department to Department resources, e.g., if a CRO requests a \$100,000 grant and commits \$50,000 in non-Department matching funds, the leveraging factor would be 1:2.
11. Matching funds: defined as non-Department resources committed to CRO programs. Matching funds may include the following:
  - a. *cash* - funds committed to projects to pay for various program activities, including personnel, equipment, materials, supplies, facilities, etc.
  - b. *in-kind* - contributions other than cash committed to program activities. In-kind contributions may include personal time, donated facility space, equipment loans or value of discounted services.



12. Personal property transfer: the transfer of Department-controlled equipment, supplies, and intellectual property to another entity--can involve transfer of title, licensing or leasing of the property.
13. Community relations: broad-based solicitation and encouragement of public awareness and participation in decision-making processes.
14. Administration, Outreach and Finance: business systems and processes incorporated to manage the development and implementation of the community transition program, including community involvement and fiscal responsibilities (e.g., contractual compliance, auditing, the raising and expending of monies, granting credit, and making investments).

## **VIII. REVIEWS**

### **A. Financial Management Reviews**

1. Generally, the Department field organizations should apply the requirements of Departmental financial assistance policies and procedures which are set forth in 10 CFR Part 600. Those sections of the CFR provide guidance in the various aspects of financial assistance management including general administrative requirements, reports and records, making changes in the grant scope, and auditing requirements.
2. Purpose

Careful monitoring of program implementation is necessary due to the level of public involvement in community transition activities. The Office is responsible for establishing appropriate standards to assure proper accounting for the use of community transition assistance funds.
3. Procedures
  - a. Conduct financial management reviews of Department field organization community transition programs on an as needed basis. Specific areas of review are: financial reporting; accounting records; internal control; budget control; allowable cost; source documentation; cash management; and project accounting.
  - b. The Office should track completed grants and close-out reports that address audit findings.

**B. Program Reviews**

The Office plans to conduct programmatic reviews of Department field organizations to assess accomplishments, determine progress and identify issues needing study. These reviews should be performed on a frequency and at locations as determined by the Office Director, and should be coordinated with the management of the Department field organization being reviewed. The Office should not review the CROs, except when accompanying a Department field organization during its review. It is the general goal of the Office to review each Department field organization that is implementing a community transition program at least once every year.

**APPENDIX A**

**OFFICE OF WORKER AND COMMUNITY TRANSITION CONTACTS**

Director: Bob DeGrasse ..... 202-586-7550, FAX 586-8403

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**COMMUNITY TRANSITION FIELD CONTACTS**

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Gary Stegner, Fernald Environmental Management Site . . . . . 513-648-3153, FAX 648-3073  
Ken Osborne, Idaho National Engineering Laboratory . . . . . 208-526-0805, FAX 526-8789  
Dave Porco, Miamisburg Area Office . . . . . 513-865-3649, FAX 865-4489  
Darwin Morgan, Nevada Operations Office . . . . . 702-295-3521, FAX 295-0154  
Bob Hamilton, Oak Ridge Operations Office . . . . . 423-576-7723, FAX 576-6363  
Gene Pressoir, Pinellas Area Office . . . . . 813-541-8062, FAX 541-8370  
Mike Dabbert, Portsmouth Gaseous Diffusion Plant . . . . . 614-897-5525, FAX 897-2982  
Mark Coronado, Richland Operations Office . . . . . 509-376-3502, FAX 376-8142  
Mike Bolles, Rocky Flats Office . . . . . 303-966-2473, FAX 966-6633  
Sam Glenn, Savannah River Operations Office . . . . . 803-725-2425, FAX 725-1910

## **APPENDIX B**

### **LISTING OF DEFENSE NUCLEAR FACILITIES**

The list below reflects facilities receiving funding for Atomic Energy Defense activities of the Department of Energy, with the exception of activities under Naval Reactor Propulsion. It is recognized that these facilities have varying degrees of defense activities, ranging from a total defense dedication to a very small portion of their overall activity. This may cause certain difficulties in implementing the intent of the section 3161 legislation. Regardless, this listing will be used by the Office for possible application of funding received for defense worker assistance and community transition purposes.

Kansas City Plant  
Pinellas Plant  
Mound Facility  
Fernald Environmental Management Project Site  
Pantex Plant  
Rocky Flats Environmental Technology Site, including the Oxnard Facility  
Savannah River Site  
Los Alamos National Laboratory  
Sandia National Laboratory  
Lawrence Livermore National Laboratory  
Oak Ridge National Laboratory  
Nevada Test Site  
Y-12 Plant  
K-25 Plant  
Hanford Site  
Idaho National Engineering Laboratory  
Waste Isolation Pilot Project  
Portsmouth Gaseous Diffusion Plant  
Paducah Gaseous Diffusion Plant

**APPENDIX C**  
**QUARTERLY PROGRESS REPORT: (DATE)**

**Project Title:** *(a name selected by the site for the specific activity or activities-- e.g.; incubator loan fund; entrepreneurial training. The site and the CRO will determine the best method for project definition, consistent with the way funds were requested and approved.*

**DOE Site Contact:** *(name of DOE Field or Area Office point of contact)*

**CRO Contact:** *(name of CRO point of contact [if different from the project manager])*

**Project Manager:** *(name, address, and phone number of the primary applicant of the project under review)*

**Project start date:** *(date funding recipient is authorized to proceed by the field office)*

**Expected completion date:** *(Date funding recipient is expected to complete the project)*

**Description of project:** *(a short narrative description of the project.)*

**Funding History:** *(a record of the project funding. **Committed** means funds released to a field organization by the Office of Worker and Community Transition [the Office]; **obligated** means monies released to the CRO or other recipient by the field organization; and **costed** means expended by the CRO or other recipient.)*

Status of the Office Funds	Cumulative Amount
Committed by the Office	
Obligated by the field organization	
Costed by the recipient	
Unobligated by the field organization	

*For the Office funding, identify the cumulative amount committed by the Office; the cumulative amount obligated by the field office; the amount unobligated; and the amount costed by the recipient. For leveraged funds, identify each source and the cumulative amount from that source.*

Funding Source	Cash	In-kind

Accomplishments: *(project outcomes to-date: report on performance measures identified and jointly agreed to by DOE field and the CRO)*

Performance Measures				
Category	Scheduled date	Projected outcome	Actual date	Progress to-date (or to the end of the project)
<i>(e.g. create new businesses)</i>	<i>9/94</i>	<i>Start-up 2 businesses</i>	<i>12/94</i>	<i>3 new businesses</i>
<i>(e.g. create new jobs)</i>	<i>9/94</i>	<i>20 jobs</i>	<i>10/94</i>	<i>30 jobs</i>

Date           (Joint signature)           DOE Field Office

Date           (Joint signature)           CRO

## **APPENDIX D**

Section 600.142 of 10 CFR Part 600 contains a requirement for recipients of financial assistance to maintain written standards of conduct governing the performance of employees engaged in the award and administration of contracts. Since organizations involved in economic development activities may engage in activities other than contracting, in which potential conflicts of interest may arise (e.g., providing loans to local businesses), the following provision should be included in all financial assistance awards to such entities:

The requirements of 10 CFR 600.142 should be applied to the activities of employees, agents and consultants of financial assistance recipients whenever these activities involve decisions about the award of DOE funds, regardless of the type of agreement or arrangement to be supported by DOE funds (e.g., lease, loan, contract, etc.).